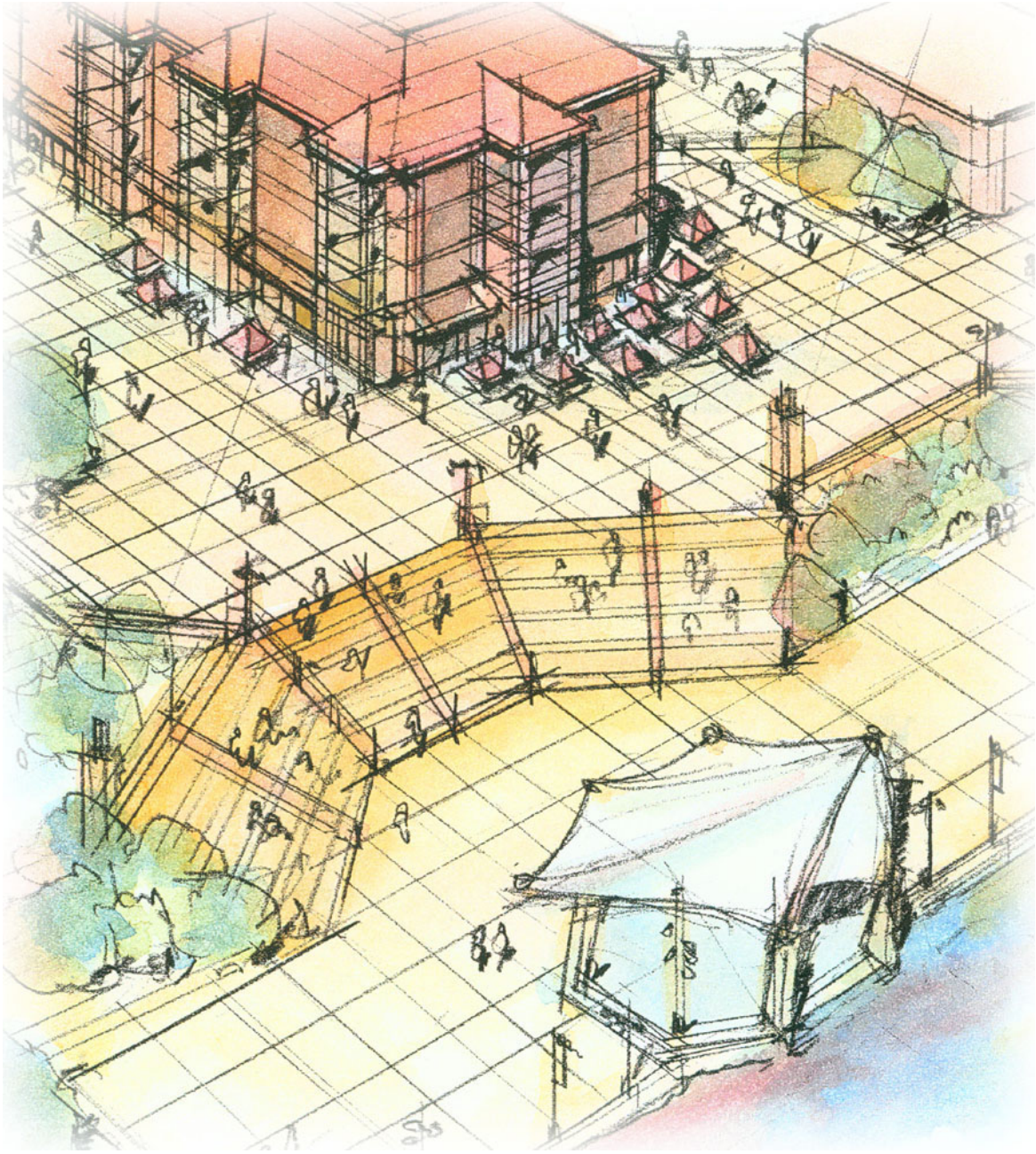


*Request for Qualifications for the
Empire-Globe Site in the
Watertown Downtown Riverfront Area*



CITY OF WATERTOWN, WISCONSIN
September 15, 2006

PROJECT OVERVIEW

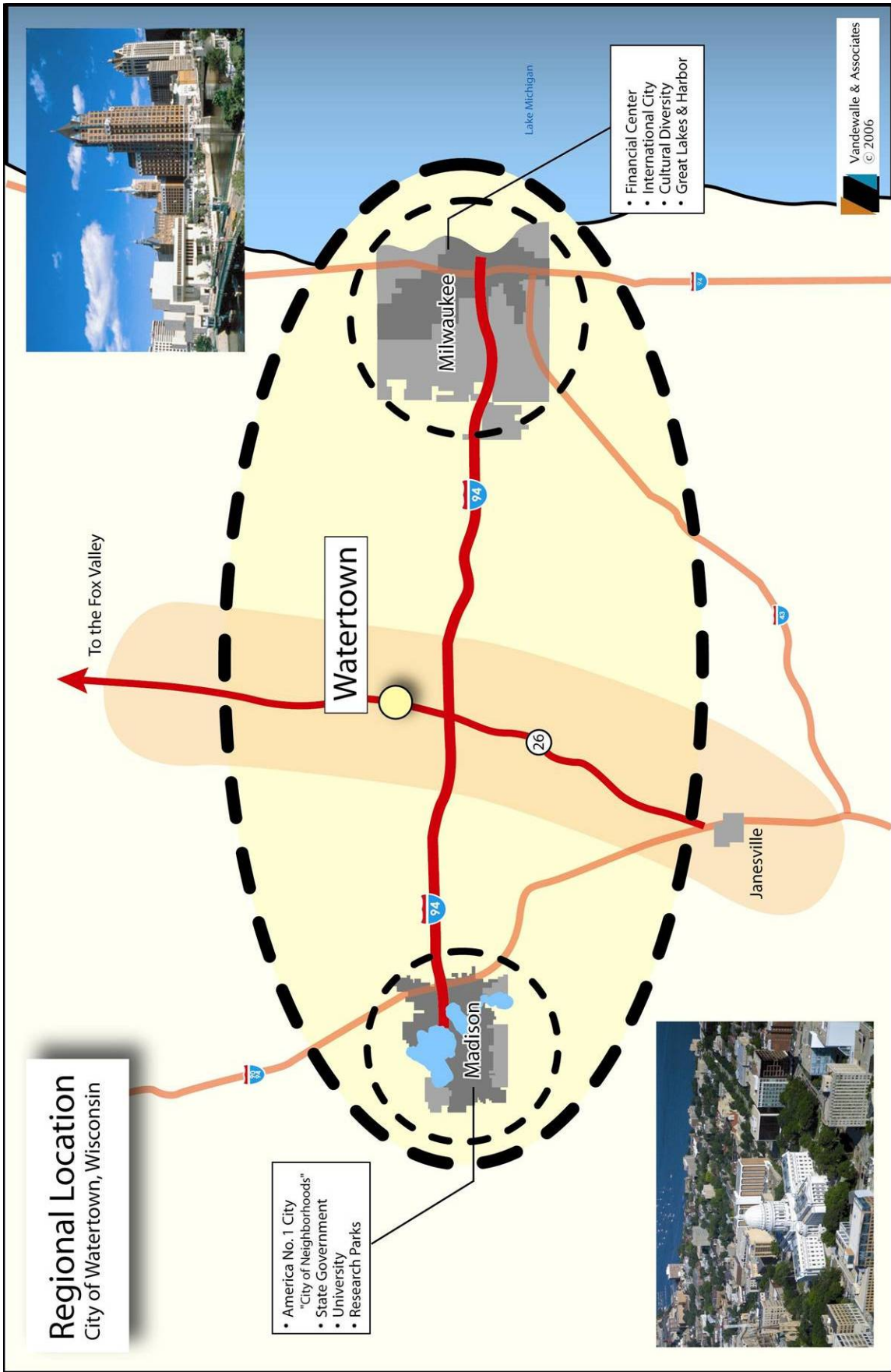
The City of Watertown is seeking interested developers for an important redevelopment site located in Watertown's Downtown Riverfront District (Redevelopment District No.2). The City has developed this information to seek qualified developers and is responsible for selecting a development team and providing direction throughout the development process.

The City of Watertown, Wisconsin has a population of about 22,000 people and is located in south central Wisconsin along the border of Jefferson and Dodge Counties, just 10 miles north of Interstate 94 via Hwy 26. The City is located within a rapidly growing corridor of Wisconsin, approximately 45 miles west of Milwaukee and 35 miles east of Madison. Watertown's historic downtown is the largest generally intact downtown between Milwaukee and Madison. Downtown Watertown continues to thrive as a vibrant part of the City's local economy and was selected for the Main Street Program in 2000.

The Rock River runs through Watertown and specifically through the middle of downtown. The River is a tremendous asset for the community and is the center of ongoing redevelopment planning with the recently adopted *City of Watertown Riverfront Plan*. The purpose of this plan was to identify development and redevelopment opportunities along the Rock River in tandem with the development of a public Riverwalk system.

The City is looking for development proposals for the 2-acre 'Empire-Globe' downtown riverfront site on the west bank of the Rock River. The Empire-Globe site is bordered by the Rock River to the east, Water Street to the west, Emmett Street to the north, and the terminus of Lafayette Street to the south. This site includes property under private ownership that is being redeveloped in cooperation with the City.

The City's redevelopment vision for this site is the development of high-quality mixed use projects inline with the recently adopted *City of Watertown Riverfront Plan* and the *Downtown Riverfront Design Standards* (currently pending Council approval). The proposed redevelopment strategy for the project site includes high-quality residential development, such as multi-story condominiums and/or townhome development with the incorporation of neighborhood scale development uses including ground floor riverfront restaurants and small retail development within the sites to compliment the existing downtown business district. New development at this site should incorporate the planned Downtown Riverwalk system and provide public access to the Rock River at these locations. The City has identified a Redevelopment District for the Downtown Riverfront Area, as detailed in the following graphic.

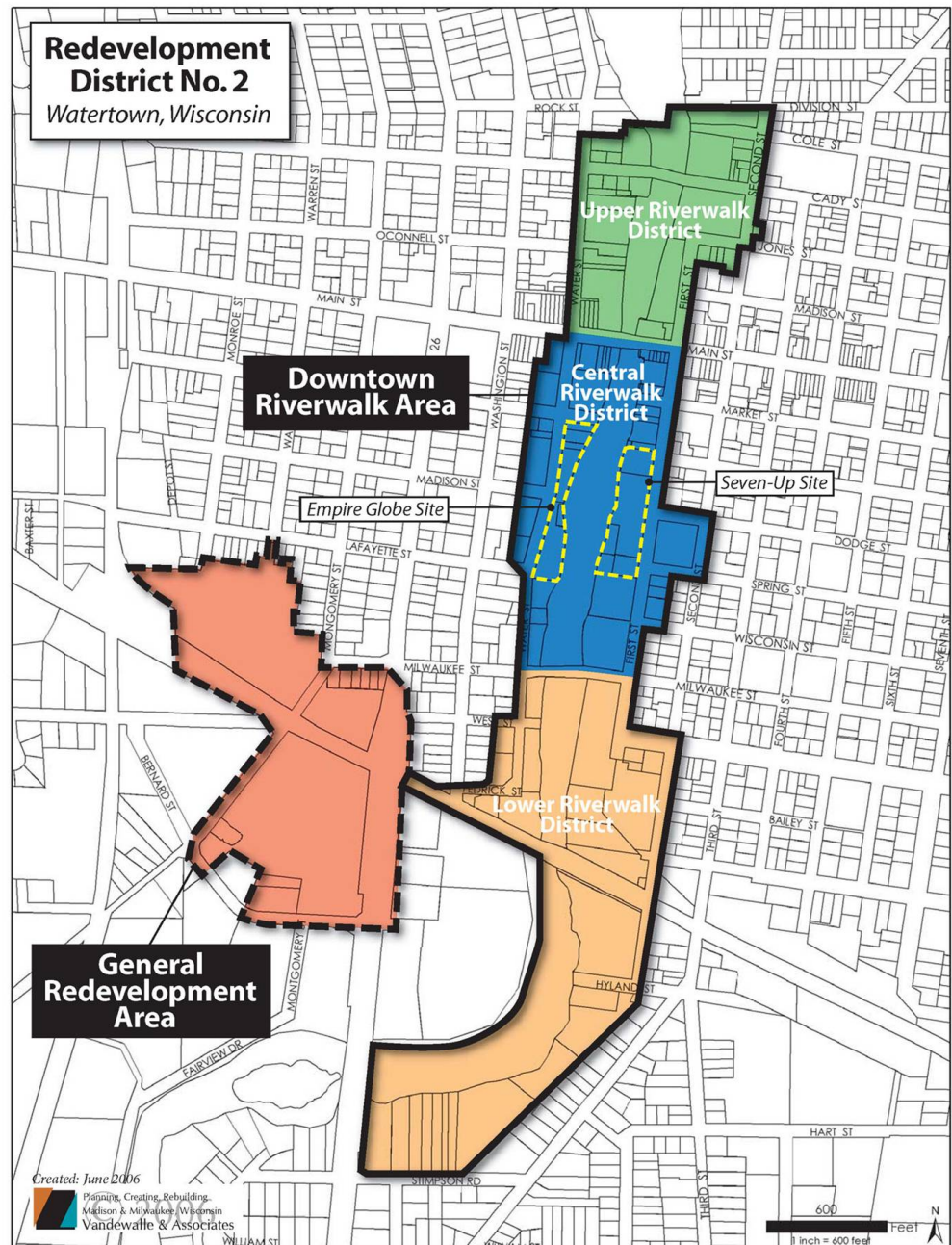


Downtown Riverwalk Area

The City of Watertown's Downtown Riverwalk Area encompasses the City's urban waterfront. This is generally defined as the area along the Rock River between Cady Street on the north and Highway 26 on the southwest and between Water Street on the west and First Street on the east. This segment of the riverfront is about 1.5 miles long or 0.75 miles on each side. There is room for riverwalk expansion on both sides of the river.

The Downtown Riverwalk project is laid out in three phases. Each phase addresses development and redevelopment opportunities, general design character, and needed public improvements. Phase I concentrates on

the central part of the planning area between Main and Milwaukee Streets where some of the most urgent changes are needed and where redevelopment will have the most immediate impact. Phase I addresses the development of many major active spaces along the river and the connections between those spaces. The Empire-Globe site is included in this Phase I area.



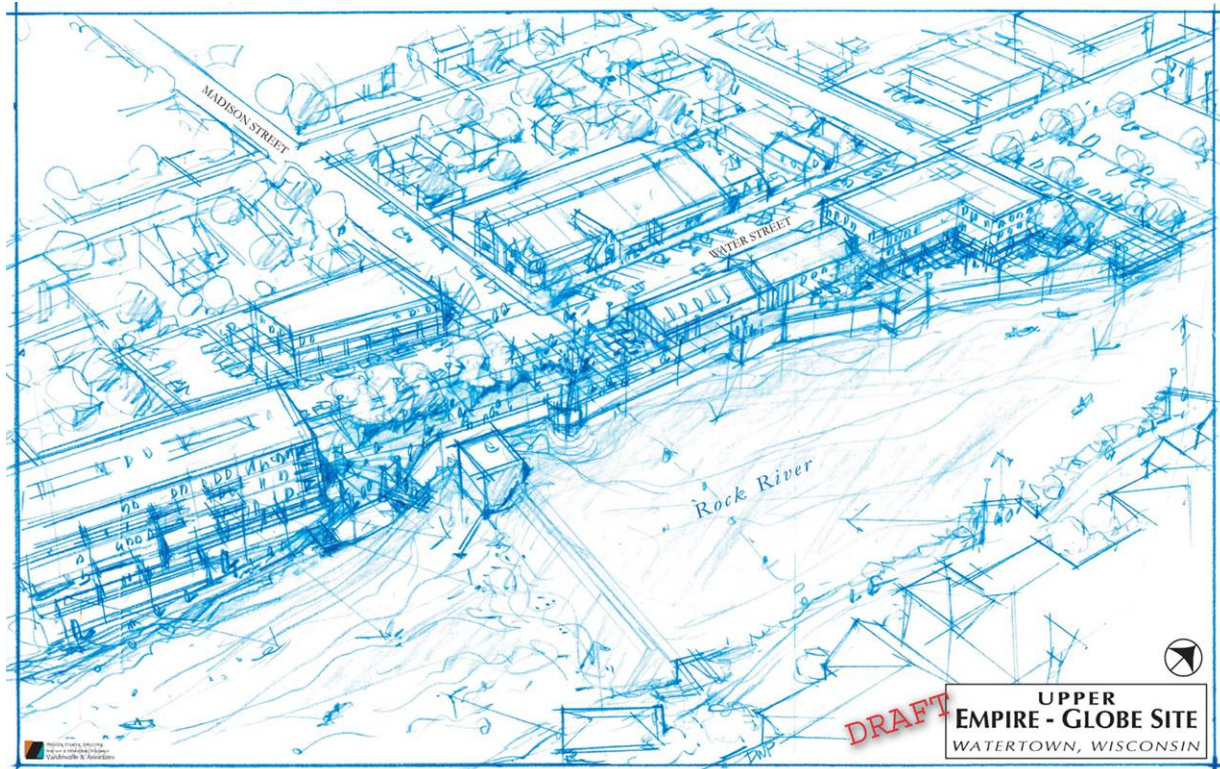
Central Riverwalk District

Located between Main Street and Milwaukee Street the Central Riverwalk District is at the heart of the Downtown Riverfront Area and is the historic location of important riverfront structures. This District represents the portion of Watertown's riverfront with the greatest possible variety of land uses and activities. This part of the riverfront also connects many of the community's major riverfront activity centers including Main Street, the Senior Center, the Library, and the Market.

Revitalization plans for the Central Riverwalk District include the completion of the Riverwalk system and loop, connections between the river and surrounding neighborhoods, and river-oriented new commercial and residential development on underutilized sites. New development should relate strongly to the river, take advantage of existing amenities including the Riverwalk and the dam, integrate with public spaces and Riverwalk, relate to existing activity center (e.g. Senior Center and Library), allow public access to river and Riverwalk, maintain the scale and character of the frontage streetscape, properly locate and screen parking areas, and be compatible with its historic neighbors. New development must meet the criteria set forth in the *Watertown Downtown Riverfront Design Standards (Redevelopment District No. 2)*. The following features are envisioned for the development site:

- Ground floor uses include specialty retail and restaurants, or townhome residential development (drive-through businesses, gas stations, and similar auto-oriented uses are prohibited).
- Upper story uses include residential and/or office.
- Outdoor dining/sidewalk cafes are encouraged.
- Buildings are located and oriented to take advantage of river views.
- Buildings with river frontage are located and oriented to interact directly with the Riverwalk loop.
- Buildings on First Street are located and oriented toward both the street and the river.
- Buildings on the shallow lots between Water Street and the river are carefully located and oriented to present quality façades and activities toward both the street and river.
- Buildings are a minimum of 20 feet and a maximum of 50 feet in height.
- Building designs incorporate a maximized use of windows and the transparency of façades facing Water and First Streets, Riverwalk, and pedestrian spaces and walkways.
- Building and roof forms match, or are similar to, historic factory and mill buildings. Rectangular brick buildings with punched window openings or clapboard clad buildings with gable roofs are especially appropriate.
- Service areas and utility equipment are located so they are not visible from the Riverwalk, Water and First Streets, and pedestrian walkways.
- Parking maximizes the use of on-street parking on Water and First Streets, accommodates flexible use of parking lots, and surface parking/structures are not located on river frontage.

Empire-Globe Site

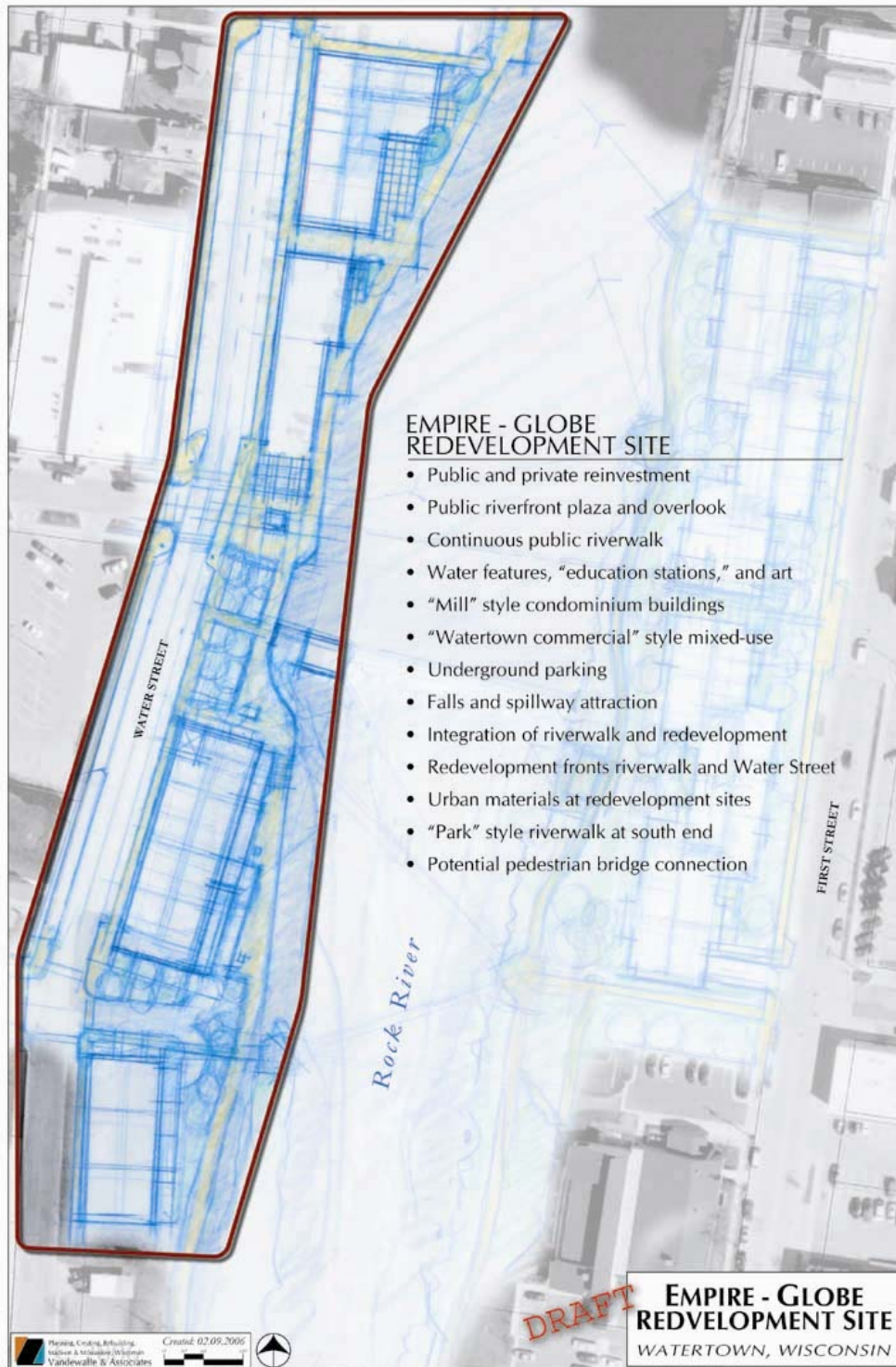


The Empire-Globe Site holds a prominent location in the Central Riverwalk District, occupying more than half of the District’s west river frontage. The parcels between Water Street and the river are shallow and will require careful integration with the Riverwalk and street frontage. Building configuration and site design will require creative design for service areas.

The following guidelines apply specifically to projects on this site.

- Create a pedestrian-friendly Water Street frontage. Encourage building interaction with Water Street sidewalk areas, on-street parking, and streetscape.
- Integrate buildings and their activities with the Riverwalk and common spaces. Consider arcades and other “inside/outside” spaces at the juncture of buildings and Riverwalk and other common spaces.
- Coordinate private design and construction with the creation of public access to the river’s edge and Riverwalk as well as the creation of public plazas, overlooks, etc.
- Coordinate structural design of buildings, underground parking, as well as site design of walls, railings, and surfaces with public improvements associated with the river’s edge and Riverwalk.
- Ensure continuity of Riverwalk and public access to river’s edge.
- Coordinate design, selection, and construction of site amenities of private projects with public improvements. Consider integration of water features, “education stations,” and art installations in private projects.
- Compliment the design of new buildings between Water Street and the river and south of Madison Street with the existing renovated brick factory building at corner of Water and Milwaukee Streets by using brick, repetitive “punched” window openings, and vertically proportioned openings.

- Service areas and utilities should be carefully located and/or screened from sight of public walkways and spaces.
- Eliminate or minimize surface parking, especially abutting the Riverwalk.



SITE CHARACTERISTICS

The City of Watertown has approved the proposed redevelopment concept which calls for mixed use small retail, restaurant, residential and/or office space development. The characteristics of the site include but are not limited to the following:

- ◆ One vacant 2-acre redevelopment site.
- ◆ The topography of the sites is essentially flat, although raised above the Rock River.
- ◆ Full utilities are available to the site.
- ◆ Completion of environmental assessment and cleanup has occurred at the Empire-Globe site.
- ◆ The site is within City of Watertown TID #5 and Redevelopment District No. 2.

INFORMATION AVAILABLE

The City of Watertown has posted this RFQ on their website. The website can be accessed through the City of Watertown homepage: www.ci.watertown.wi.us. This site also contains general information about the City of Watertown. Materials posted on the website to support this RFQ are listed below:

- ◆ Electronic version of this RFQ
- ◆ City of Watertown Riverfront Plan
- ◆ Redevelopment Design Standards Downtown Riverfront

SUBMISSION REQUIREMENTS

All developers who wish to receive consideration must submit 8 copies of the following information.

1. A detailed description of the development team, which includes descriptions and resume/background information of all principals and their proposed level of involvement. Joint venture teams must submit the requested information for each firm involved.
 - a. Information regarding the key personnel that will be working on this project for example, project manager, field engineers, inspectors, etc., including the entity's capability to replace key personnel over the life of the project.
 - b. Submit an organizational chart for the comprehensive team.
2. Specific and detailed examples of similar projects or similar scope for projects that have been developed, owned and managed by the developer, with an emphasis on the following: economic viability, quality of architectural design, and timeliness of performance.
 - a. Statement and written reference from three past and current clients demonstrating such things as, general professional integrity and compliance with public policy; reputation held with clients and community in general; and overall performance, including awards and recognition received in the past five years of similar work.
 - b. Statement demonstrating the entity's general and specific knowledge of the City of Watertown and the region.
3. A statement regarding any special or unique resources available to you that would enhance your ability to successfully complete this project for the City.

4. Any other information that you choose to demonstrate the superiority of your approach.
5. If the entity which is to undertake the development has been specifically formed for that purpose and represents a subsidiary or joint venture, specify the guarantee relationship that will exist between it and its sponsors or participants.
6. For the development entity or, in the case of a specifically formed company for this project, for each of its guarantors, please provide the following information.
 - a. Identify your current banking relationships (including name of contact person, address and phone number) and the amount of available credit line to the entity and/or guarantors.
 - b. Provide the name, address, and phone number for a minimum of two credit references, preferably ones involved in financing projects of similar scope, for the development entity and/or its guarantors.
7. Please execute a release letter on your firm's letterhead for each credit reference listed.
8. A description of all consultants to be employed in, at least, the initial phases of the project. This should include architectural and engineering consultants, marketing assessment professionals, financial consultants, and others.
9. The developer is expected to be an equity partner. There should therefore be a description of the proposed ownership entity and property management approach (i.e., do you intend to internally manage the property, etc.).
10. A preliminary financial pro forma for the development project.

The City recognizes the sensitive nature of the following financial information requested in this statement. Such information may, therefore, be submitted at the developer's discretion, under separate cover and labeled "confidential". This information will be used by the City and its advisors for purpose of evaluation and will be kept confidential to the extent permitted by law.

SELECTION PROCESS

Overview

Selection of a developer for these projects will be determined using a submittal and interview process. The first step is to select (pre-qualify) up to three of the highest ranking developer teams. The City's Project Review Team will conduct interviews with pre-qualified teams. After interviews, the development team(s) will be selected and enter into an exclusive right to negotiate. The developer will draft a proposal during the negotiation period, and this will be recommended for approval by the City of Watertown Common Council upon completion.

The City reserves the right to reject all developers based on Common Council, staff, partners and consultant evaluation of the developers' response to this request. All costs incurred by developers associated with this process are the sole responsibility of the developer.

Pre-Qualification of Development Team(s)

The City will use a "Qualification Based Selection Process" to determine the most qualified development firms for this project. The process will consist of the following general steps:

1. The City publishes the "Notice of Request for Qualifications" to publicly advise interested developers of the City's intent to seek qualified developers/development teams.

2. A Project Review Team (the PRT) comprised of representatives from the City, the City's Economic Development Advisory Committee (EDAC), the Community Development Authority (CDA), and the City's economic development and planning consultants, will review the submittals that are timely filed.
3. The responsibilities of the PRT are as follows:
 - a. Review and rank all Qualification Responses (Qualifications) timely filed.
 - b. Collectively determine no more than three highest ranking (pre-qualified) development teams.

TIMETABLE

Expected publication and distribution of RFQ	September 15, 2006
Project briefing dates (by appointment)	September 29, 2006
Statement of interest and qualifications due date	October 16, 2006
Notification of pre-qualified development teams	October 31, 2006
Interviews of selected teams	November 2006
City Council authorization to negotiate with development team	December 2006

CONTACT

Please submit 8 copies of the RFQ response and direct all questions and inquiries related to the RFQ to:

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 Jolena Presti, AICP, Associate, Project Manager
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